

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
**GENERAL INSTRUCTIONS FOR FILING
 BUSINESS TAX RETURNS FOR A COMBINED GROUP**

WHO MUST FILE A BET RETURN	<p>Every profit or non-profit enterprise or organization engaged in or carrying on any business activity within NH which meets the following criteria must file a Business Enterprise Tax return: Gross business receipts in excess of \$150,000 or enterprise value tax base in excess of \$75,000.</p> <p>A. If your gross receipts total was in excess of \$150,000, then you are required to file a BET return, regardless of B, below.</p> <p>B. If your gross receipts total was \$150,000 or less, use the following worksheet to determine if your enterprise value tax base is greater than \$75,000:</p> <table border="0"> <tr> <td>1. Total compensation paid or accrued:</td><td>1. \$ _____</td></tr> <tr> <td>2. Total interest paid or accrued:</td><td>2. \$ _____</td></tr> <tr> <td>3. Total dividends paid:</td><td>3. \$ _____</td></tr> <tr> <td>4. Sum of Lines 1, 2 and 3:</td><td>4. \$ _____</td></tr> </table> <p>If Line 4 is greater than \$75,000, you are required to file a BET return.</p> <p>Section 501(c)(3) non-profit organizations are not required to file to the extent they do not engage in any unrelated business activity under section 513 of the IRC.</p>	1. Total compensation paid or accrued:	1. \$ _____	2. Total interest paid or accrued:	2. \$ _____	3. Total dividends paid:	3. \$ _____	4. Sum of Lines 1, 2 and 3:	4. \$ _____
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WHO MUST FILE A BPT RETURN	<p>The NH Business Profits Tax law requires the filing of a combined tax return by a water's edge combined group. The law provides that the tax liability must be determined by the water's edge method, a statutory term which is defined as the determination of "taxable business profits" for a group of business organizations conducting a unitary business by adding their combined net income, the additions and deductions provided in RSA 77-A:4 for the members of the group, and apportioning the results as provided in RSA 77-A:3. Combined Net Income is also defined by statute and although its calculation would include all business organizations conducting the unitary business, the NH Water's Edge Group excludes "overseas business organization" for tax calculation purposes. An "overseas business organization" is defined in the law as a business organization with 80% or more of the average of their payroll and property assigned to a location outside the 50 states and the District of Columbia. All business organizations, including corporations, fiduciaries, partnerships, limited liability companies, proprietorships, combined groups, and homeowner's associations must file a Business Profits Tax return provided they are carrying on business activity within New Hampshire and their gross business income from everywhere is in excess of \$50,000.</p> <p>"Gross business income" means all income for federal income tax purposes from whatever source derived including: total sales, total rents, gross proceeds from the sale of assets, etc., before deducting any costs or expenses. Even if there is no profit, a return must be filed when the gross business income exceeds \$50,000.</p> <p>A "combined group" means any business organization whose unitary business is conducted within and without New Hampshire through the use of more than one legal entity and who files a single New Hampshire tax return (or other document) to report the activity of the combined group. If you are unsure whether or not you are required to file using the combined return, please call (603)271-3400.</p> <p>All business organizations conducting a unitary business must be included in the combined report unless they qualify as an overseas business organization, as defined by RSA 77-A:1 XIX, and are listed as such on page 2 of the Form NH-1120-WE (previously Form AU-20).</p>								
IDENTICAL FILING ENTITY	<p>The return filed for the Business Enterprise Tax MUST reflect the identical business entity reported for Business Profits Tax purposes. There are separate booklets for corporate, combined group, partnership, proprietorship and fiduciary returns. Non-profit organizations and limited liability companies shall file using the form which corresponds to their entity structure. LLC's shall file using the same entity type as they use for their federal tax return. If a separate federal tax return was not required, then use the same entity type as the reporting member used.</p>								
SEPARATE FILING THRESHOLDS	<p>There are different filing criteria for the Business Enterprise Tax and the Business Profits Tax. You must determine whether or not you are required to file for each tax independent of your filing requirement for the other tax. For business organizations that file as part of a combined group for the Business Profits Tax, the filing requirement for the Business Enterprise Tax must be determined individually for each business enterprise within that group. IF YOU ARE REQUIRED TO FILE EITHER TAX, THEN YOU MUST FILE A BUSINESS TAX SUMMARY. THE BUSINESS TAX SUMMARY VERIFIES AND UPDATES BOTH THE BUSINESS ENTERPRISE TAX AND/OR THE BUSINESS PROFITS TAX RETURNS. FAILURE TO FILE A BUSINESS TAX SUMMARY WILL CONSTITUTE AN INCOMPLETE FILING OF THE BUSINESS TAX RETURNS.</p>								
WHEN TO FILE	<p>Calendar Year: If the business organization files its federal return on a calendar year basis, then the BET return and/or the BPT return are due and must be postmarked NO LATER than the date indicated on the BPT return.</p> <p>Fiscal Year: If the business organization files its federal return on a fiscal year basis, then the business organization must file the BET return and/or the BPT return based on the same taxable period. The combined returns are due and must be postmarked NO LATER than the 15th day of the third month following the close of the fiscal year.</p> <p>For Non-Profit Organizations: The returns are due and MUST be postmarked NO LATER than the 15th day of the fifth month following the close of the fiscal year.</p>								
EXTENSION TO FILE	<p>New Hampshire no longer requires a taxpayer to file an application for an automatic 7-month extension of time to file provided that the taxpayer has paid 100% of both the Business Enterprise Tax and the Business Profits Tax determined to be due by the due date of the tax.</p> <p>If you need to make an additional payment in order to have paid 100% of the taxes determined to be due, then you must file an extension application for business tax returns, Form BT-EXT. This application and payment must be postmarked on or before the original due date of the returns. Failure to pay 100% of the taxes determined to be due by the original due date may result in the assessment of penalties. You are not required to attach a copy of your federal extension to your NH returns.</p>								
WHERE TO FILE	<table border="0"> <tr> <td>MAIL TO:</td><td>NH DEPT OF REVENUE ADMINISTRATION DOCUMENT PROCESSING DIVISION PO BOX 637, CONCORD, NH 03302-0637</td><td>FACSIMILE RETURNS ARE NOT ACCEPTED</td></tr> </table>	MAIL TO:	NH DEPT OF REVENUE ADMINISTRATION DOCUMENT PROCESSING DIVISION PO BOX 637, CONCORD, NH 03302-0637	FACSIMILE RETURNS ARE NOT ACCEPTED					
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NH-1120-WE

Gen. Inst.

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(continued)

ESTIMATED BPT & BET PAYMENTS FEDERAL DEPRECIATION	Every entity required to file a Business Profits Tax return and/or a Business Enterprise Tax return must also make quarterly estimated tax payments for each individual tax for its subsequent taxable period, unless the ANNUAL estimated tax for the subsequent taxable period for each tax individually is less than \$200. However, if at the end of any quarter the estimated tax for the year exceeds \$200 an estimated tax payment must be filed. The quarterly estimates are 25% of the estimated tax liability. See the instructions with the Estimated Business Tax Form for exceptions and for penalties for noncompliance.
ATTACH FEDERAL SCHEDULES/ FORMS	All Business Profits Tax returns must be accompanied by a complete and legible copy of the federal income tax return or other appropriate federal forms, consolidating schedules and supporting schedules. The corporate return must have the federal form 1120, pages 1, 2, 3 and 4 and all schedules. Failure to attach all federal schedules as required shall be deemed a failure to file a New Hampshire return and will subject the taxpayer to penalties.
CONFIDENTIAL INFORMATION	<p>Disclosure of federal employer identification numbers and social security numbers is mandatory under New Hampshire Department of Revenue Administration rules 203.01, 221.02, 221.03. This information is required for the purpose of administering the tax laws of this state and authorized by 42 U.S.C.S. § 405 (c) (2) (C) (i).</p> <p>Tax information which is disclosed to the New Hampshire Department of Revenue Administration is held in strict confidence by law. The information may be disclosed to the United States Internal Revenue Service, agencies responsible for the administration of taxes in other states in accordance with compacts for the exchange of information, and as otherwise authorized by New Hampshire Revised Statutes Annotated 21-J:14.</p> <p>The failure to provide federal employer identification numbers and social security numbers may result in the rejection of a return or application. The failure to timely file a return or application complete with social security numbers may result in the imposition of civil or criminal penalties, the disallowance of claimed exemptions, exclusions, credits, deductions, or an adjustment that may result in increased tax liability.</p>
AMENDED RETURNS	<p>If you discover an error was made on your BET and/or BPT return(s) after they were filed, amended returns should be promptly filed by completing a corrected Form BT-SUMMARY and the appropriate BET and/or BPT returns. You should check the "AMENDED" block in STEP 2 on the Business Tax Summary. AMENDED RETURNS MUST HAVE ALL APPLICABLE SCHEDULES AND FEDERAL PAGES ATTACHED TO BE DEEMED A COMPLETE AMENDED RETURN. For changes made by the Internal Revenue Service, for this year, please see STEP 2 on the Business Tax Summary.</p> <p>If you need to amend prior year BET and/or BPT return(s), please contact the forms line at (603) 271-2192.</p> <p>You may not file an amended return for New Hampshire Net Operating Loss (NOL) carryback provisions.</p>
REFERENCES TO FEDERAL FORMS	All references to federal tax forms and form lines are based on draft forms available at the time the state forms were printed. If the federal line number and description do not match, follow the line description or contact the department at (603) 271-2186.
ROUNDING OFF	Money items on all Business Enterprise Tax and Business Profits Tax forms may be rounded off to the nearest whole dollar.
FILING SEQUENCE	Please file the applicable schedules in the following order sequence: BT-Summary, BET-WE, BET-80-WE, NH-1120-WE, DP-80, DP-2210/2220, DP-132-WE, DP-160-WE Schedules I, IA, II, and III, and then the appropriate federal pages.
NEED HELP	Call the Taxpayer Assistance Office at (603) 271-2186, Monday through Friday, 8:00 am to 4:30 pm. All written correspondence to the department should include the taxpayer name, federal employer identification number or social security number, the name of a contact person and a daytime telephone number.
NEED FORMS	To obtain additional forms or forms not contained in this booklet, please call (603) 271-2192. Copies of the state tax forms may also be obtained from our website at www.state.nh.us/revenue or by visiting any of the 21 Depository Libraries located throughout the
TDD ACCESS	Hearing or speech impaired individuals may call: TDD Access: Relay NH 1-800-735-2964.

REFERENCE TO TERMS

Combined Group.....	Rev 301.06	Payroll Factor.....	Rev 304.04
Combined Reporting.....	Rev 301.07	Sales Factor.....	Rev 304.05
Eighty/twenty Business organization.....	Rev 301.11	Application of Credits to Business Organizations	
Interdependence in their functions.....	Rev 301.18	Included in a Water's Edge Combined Group.....	Rev 306.05
Principal New Hampshire Business Organization.....	Rev 301.24	Returns, Declarations, and Extensions -	
Unity of operation.....	Rev 301.32	Members of a Combined Group.....	Rev 307.07
Unity of ownership.....	Rev 301.33	Combined Net Income.....	RSA 77-A:1, XIII
Unity of use.....	Rev 301.34	Overseas Business Organization.....	RSA 77-A:1, XIX
Net Operating Loss Deduction - combined returns.....	Rev 303.03	Unitary Business.....	RSA 77-A:1, XIV
Availability or Requirement of Apportionment for		Water's Edge Combined Group.....	RSA 77-A:1, XV
Business Organizations.....	Rev 304.01	Water's Edge Method.....	RSA 77-A:1, XVI
Property Factor.....	Rev 304.03		